

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY PROJECTS

In Reply Refer To:
OEP/DG2E/Gas 1
Southern LNG Inc.
Docket No. PF06-14-000

February 1, 2006
James D. Johnston
Senior Counsel
Southern Natural Gas
1900 Fifth Avenue North, Office 2938
Birmingham, AL 35203

Re: Approval of Pre-Filing Request

Dear Mr. Johnston:

Thank you for your letter, dated January 24, 2006, requesting use of the Federal Energy Regulatory Commission's (FERC or Commission) pre-filing review process for Southern LNG Inc.'s (Southern) proposed Elba Expansion and Express Pipeline Project (Elba III Project). We believe that beginning the Commission's review of this proposal prior to the receipt of your application will greatly improve our ability to identify issues early and address them in our environmental impact statement (EIS).

As stated in your letter, Southern proposes to increase storage capacity at the existing LNG terminal by 8.44 billion cubic feet equivalent in two phases, and terminal deliverability by up to 900 million cubic feet per day of natural gas. Southern also proposes to construct 191 miles of new 36- and 42-inch-diameter pipeline facilities and a new 10,000-horsepower compressor station in Georgia and South Carolina, also in two phases.

Your letter stated your intention to file an application in September 2006 (or earlier, if possible). When Southern files its application with the Commission, we will evaluate the progress made during the Pre-filing Process, based in part on our success in resolving the issues raised during scoping. Once we determine that your application is ready for processing, we will establish a schedule for completion of the draft and final EIS and for the issuance of all other Federal authorizations.

We have also reviewed the proposals submitted for the selection of a third-party contractor to assist the Commission staff in preparing the NEPA documentation. We have selected TRC Pipeline Services (TRC) as the third-party contractor to work under

the direct supervision and control of the Commission staff. I request that you proceed with executing a contract with TRC so work may begin as soon as possible.

Your project has been assigned Docket No. PF06-14-000. All future "pre-filing" correspondence and submissions by Southern to the Commission for this project should reference this docket number. If you have any questions, please contact L.J. Sauter, Jr. at (202) 502-8205.

Sincerely,

J. Mark Robinson
Director
Office of Energy Projects

cc: Public File, Docket No. PF06-14-000

Stephen Weems
Southern Natural Gas Company
1900 Fifth Avenue North, Office 2329
Birmingham, AL 35203